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CCP EXPANDS SOUTH CHINA TRADE CONTROL;
COMMUNISTS AND NATIONALISTS RESUME TRADE WITH JAPAN

CANTON TRADE OFFICE CHANGES NAME -- Hong Kong Shih-pao, 26 Feb 50

Canton -- On 24 February, the Canton Trade Office (Kuang-chou-mao-i-ch'u), announced that the office will hereafter be known as the South China Area Foreign Trade Bureau (Hua-nan-ch'u-wai-mao-i-ch'u).

The change was necessitated by a CCP decision to expand control to include all the South China area in matters pertaining to the import and export of commodities.

COMMUNIST CHINA SHIPS SOYBEANS TO JAPAN -- Hong Kong Shih-pao, 1 Mar 50

Tokyo, 28 February -- According to a telegram received here from Moji, the first 5,000-ton shipment of soybeans of a total of 15,000 tons ordered, arrived in Moji from Chinese Communist territory. The remainder is expected to arrive in the early part of March. Payment for the soybeans is being made with textile goods which are urgently needed in China.

TAIWAN SETS UP JAPAN TRADE ORGANIZATION -- Hong Kong Shih-pao, 27 Feb 50

Taihoku - The Taiwan Provincial government, on 25 February 1950, announced the following regulations concerning the resumption of trade with Japan: (1) the Commodity Control Commission shall organize a Japan Trade Subcommittee which will administer all trade with Japan; (2) the regularly scheduled ships going to Japan shall carry as much sugar and salt as possible, and freighters shall carry salt and bananas; (3) Taiwan businessmen shall go to Japan to encourage trade between the two countries; and (4) in regard to the exchange rate, the Taiwan Bank shall try to release frozen foreign exchange, establish a branch office in Tokyo to maintain close liaison with foreign banks, and endeavor to change gradually the existing barter system into a free foreign exchange system.

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COMMUNISTS SELL PELTS FOR FOREIGN EXCHANGE -- Hong Kong Wen-hui Pao, 21 Feb 50

Tientsin -- To secure increased amounts of foreign exchange for national reconstruction, the government agency, the North China Hides and Furs Company, is purchasing from the interior large quantities of skins and pelts of various kinds which are sold to exporters in Tientsin.

From September 1949 to the end of January 1950, this company sold to exporters 510,500 kidskins at prices from 57 to 60 cents per piece, 37,000 lambskin crosses, and 20,000 muskrat skins. Quite recently, the company sold 85,000 kidskins to four foreign firms at prices ranging from 46 to 48 cents per piece. Most of these skins were exported to the US.

NORTH CHINA TO EXPORT LOCAL PRODUCTS -- Hong Kong Wen-hui Pao, 25 Feb 50

During the 3 months subsequent to its establishment in September 1949, the North China Local Products Corporation bought and sold a total of 28,890 tons of peach kernels, black dates, almonds, apricot kernels, bean cakes, black beans, hemp, pepper, herbs, and other local products. Of this, 13,000 tons were exported.

In North China, 28 percent of the farmers' income comes from such local products. The present output and possible future expansion of these products are as follows:

The current annual output of hemp and jute is about 23,400 tons, just enough to supply the domestic need. However, in 1932 and 1935, jute exports totaled 14,300 tons and 6,500 tons, respectively, therefore, this field can be greatly improved.

Peiping produces 5,200 tons of vermicelli annually; a little is produced in Shantung Province. While slightly more than a ton was exported in 1935, the total export in 1949 amounted to 2,171 tons, the largest amount exported in the history of China.

All of the 5,670 tons of peach kernels produced in North China can be exported. About 190,000 boxes (equivalent to 6,175 tons) were exported in 1937 from Tientsin, while in ordinary years the average was about 140,000 boxes.

The total sweet and bitter almond (apricot kernels) output is estimated to be about 2,600 tons yearly, at present, although in one year 6,500 tons were reported to have been exported. This item can be greatly improved.

The pepper produced is mainly for domestic use. Before the war, the annual output was around 3,250 tons, but it decreased to 1,235 tons in 1949.

Herbs are produced everywhere in North China; in fact, there is overproduction. The problem for this industry now is to find a market. The aggregate annual export of these products is probably not more than 39,000 tons. The establishment of standards to improve the quality of the products available for export is one way to obtain a larger foreign market.

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TIENTSIN BANK SIMPLIFIES FOREIGN CURRENCY EXCHANGE -- Hong Kong Wen-hui Pao,
21 Feb 50

Tientsin -- On 7 February, the Tientsin Bank of China notified all banks authorized to handle foreign currency exchange of revised exchange procedures. The new procedure, effective immediately, eliminates the necessity of applying for exchange a day before the trade, and grants exporting merchants one-day service.

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